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Attorneys for Methode Electronics, Inc.

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re: Chapter 11 Case No.
DELPHI CORPORATION, et al. 05-44481 (RDD)
(Jointly Administered)
Debtors.

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**LIMITED OBJECTION OF METHODE ELECTRONICS, INC. TO REORGANIZED
DEBTORS' MOTION FOR ORDER UNDER 11 U.S.C. § 105 AND FED. R. BANKR. P.
7041 AND 9014 (I) DISMISSING CERTAIN OFF-CALENDAR MOTIONS AND
CONTESTED MATTERS AND (II) OVERRULING, WITHDRAWING OR
OTHERWISE DISMISSING OR DEEMING MOOT CERTAIN OBJECTIONS LODGED
IN CONNECTION WITH PROCEDURES SET FORTH IN DEBTORS' 2007
SOLICITATION PROCEDURES MOTION**

Methode Electronics, Inc. ("Methode"), by its undersigned counsel, hereby submits this Limited Objection to Reorganized Debtors' Motion For Order Under 11 U.S.C. § 105 and Fed. R. Bankr. P. 7041 and 9014 (I) Dismissing Certain Off-Calendar Motions and Contested Matters and (II) Overruling, Withdrawing, or Otherwise Dismissing or Deeming Moot Certain Objections Lodged in Connection With Procedures Set Forth in Debtors' 2007 Solicitation

Procedures Motion (the “Motion”) and requests an order denying the Motion insofar as it related to Methode. In support of this Limited Objection, Methode respectfully represents as follows:

I.
INTRODUCTION

1. On October 8, 2005 (the “Petition Date”), the above-captioned debtors (the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).
2. No trustee or examiner has been appointed in these chapter 11 cases.
3. An official committee of unsecured creditors (the “Committee”) was appointed on or about October 17, 2005.

II.
BACKGROUND

4. Methode supplied one or more of the Debtors with various component and subsystem devices employing electrical and electronic technologies prior to and subsequent to the Petition Date.
5. In its Motion, DPH Holdings Corp. and certain of its affiliated reorganized debtors (the “Reorganized Debtors”) seek to dismiss, among other pleadings, Methode’s Motion For Relief From the Automatic Stay To Permit It to Exercise Setoff And/Or Recoupment Rights [Docket No. 4912] (the “Setoff Motion”). Methode filed the Setoff Motion on August 14, 2006 in order to obtain authority to exercise certain setoff rights as set forth in the Setoff Motion. Subsequent to Methode’s filing of the Setoff Motion, Debtors’ counsel contacted Methode’s counsel requesting that the Setoff Motion be adjourned in order to allow the parties time to reconcile Methode’s claim amounts and resolve the issues raised in the Setoff Motion. Since that

time, counsel for Methode has diligently contacted counsel for the Debtors on a regular basis in an effort to resolve the issues raised in the Setoff Motion and to reconcile Methode's prepetition claims. Although the Debtors were unable to meaningfully respond to Methode during significant portions of that time period, in 2008, the parties made significant progress towards resolving these issues and came close to finalizing a stipulation before the attorney handling such issues on behalf of the Debtors left his firm. Prior to the Debtors' filing of the Motion, Methode diligently pursued finalization of the settlement stipulation on multiple occasions in 2009, including in October 2009.

Since the Reorganized Debtors' filing of the Motion, counsel for Methode and the Reorganized Debtors have renewed their efforts to resolve the issues raised in Methode's Setoff Motion. In order to further such efforts, Methode respectfully requests that the Court enter an order denying the Motion insofar as it relates to Methode's Setoff Motion.

Dated: November 11, 2009

Respectfully submitted,

/s/ Timothy S. McFadden
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